

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

SENATE ENROLLED ACT No. 106

AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-2.5-5-39, AS ADDED BY P.L.195-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 39. (a) As used in this section, "cargo trailer" means a vehicle:

- (1) without motive power;
- (2) designed for carrying property;
- (3) designed for being drawn by a motor vehicle; and
- (4) having a gross vehicle weight rating of at least two thousand two hundred (2,200) pounds.

(b) As used in this section, "recreational vehicle" means a vehicle with or without motive power equipped exclusively for living quarters for persons traveling upon the highways. The term includes a travel trailer, a motor home, a truck camper with a floor and facilities enabling it to be used as a dwelling, and a fifth wheel trailer.

(c) A transaction involving a cargo trailer, a recreational vehicle, or an aircraft is exempt from the state gross retail tax if:

- (1) the purchaser is a nonresident;
- (2) upon receiving delivery of the cargo trailer, recreational vehicle, or aircraft, the person transports it within thirty (30) days to a destination outside Indiana;

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(3) the cargo trailer, recreational vehicle, or aircraft will be titled or registered for use in another state or country; ~~and~~

(4) the cargo trailer, recreational vehicle, or aircraft will not be titled or registered for use in Indiana; **and**

(5) in the case of a transaction involving a cargo trailer or recreational vehicle, the cargo trailer or recreational vehicle will be titled or registered in a state or country that provides an exemption from sales, use, or similar taxes imposed on a cargo trailer or recreational vehicle that is purchased in that state or country by an Indiana resident and will be titled or registered in Indiana.

The amount of the exemption for a cargo trailer or recreational vehicle is determined in subsection (d). **A transaction involving a cargo trailer or recreational vehicle that does not meet the requirements of subdivision (5) is not exempt from the state gross retail tax.**

(d) The amount of the exemption for a cargo trailer or a recreational vehicle under this section is equal to the amount of:

(1) the state gross retail tax that would be imposed on the transaction if the cargo trailer or recreational vehicle were registered in Indiana; minus

(2) the sales, use, or similar tax that would have been imposed on the transaction under the laws of the state or country in which the purchaser affirms the cargo trailer or recreational vehicle will be registered.

The amount of the exemption under this section may not exceed the amount of the state gross retail tax that would be imposed on the transaction if the cargo trailer or recreational vehicle were registered in Indiana. A retail merchant that accepts an exemption claim for a cargo trailer or recreational vehicle under this section shall, within sixty (60) days after the date of the transaction, have on file a copy of the purchaser's title or registration of the cargo trailer or recreational vehicle outside Indiana or pay to the state the amount of the exemption.

(e) Any state gross retail tax due after the application of the exemption provided by this section must be paid to the retail merchant.

(f) **(d)** A purchaser must claim an exemption under this section by submitting to the retail merchant an affidavit stating the purchaser's intent to:

(1) transport the cargo trailer, recreational vehicle, or aircraft to a destination outside Indiana within thirty (30) days after delivery; and

(2) title or register the cargo trailer, recreational vehicle, or aircraft for use in another state or country.

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The department shall prescribe the form of the affidavit, **which must include an affirmation by the purchaser under the penalties for perjury that the information contained in the affidavit is true.** The affidavit must identify the state or country in which the cargo trailer, recreational vehicle, or aircraft will be titled or registered. ~~Within sixty~~ (60) days after the date of the transaction, the purchaser shall provide to the retail merchant a copy of the purchaser's title or registration of the cargo trailer, recreational vehicle, or aircraft outside Indiana.

~~(g)~~ (e) The department shall provide the information necessary to calculate the amount of **determine a purchaser's eligibility for** an exemption claimed under this section to retail merchants in the business of selling cargo trailers or recreational vehicles.

SECTION 2. [EFFECTIVE JULY 1, 2006] **IC 6-2.5-5-39, as amended by this act, applies to retail transactions occurring after June 30, 2006.**

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President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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